

# 7 *Closing Out a Legal Matter*

## OVERVIEW



In this chapter, you will learn how to close out an FDIC legal matter. It is critical that you submit your final invoice in a timely manner. It is also important that you return required documentation to the FDIC promptly. Finally, the FDIC requires that you maintain matter documents for a certain period of time after the matter is closed. If you have any questions, please contact your Oversight Attorney.

**This chapter gives you information on the following:**

- ⇒ Submitting the Final Invoice
- ⇒ Providing Final Documentation
- ⇒ Returning Documents to the FDIC
- ⇒ Maintaining Matter Documents

## SCENARIO

### *What Do I Have to Do to Close Out the Legal Matter?*

After several grueling weeks, Mohammed Baji was finally able to relax. He had finished work on a difficult bankruptcy case for the FDIC and his paralegal had ensured all the paperwork was in order. After Mohammed and his Oversight Attorney agreed that the matter needed to be closed, he submitted his final invoice (which noted that the matter had been completed) to the FDIC and headed to Hawaii for some much-deserved relaxation. He did so confidently because he had consulted his **Outside Counsel Deskbook** to make sure he had closed out the legal matter properly.

**SUBMITTING THE FINAL INVOICE**

You must submit a final invoice when closing out a legal matter. Make sure you note on the invoice and the LIF&E form that this is your final invoice.

*Indicate “Final Invoice” in the top left corner of the LIF&E form.*

At the conclusion or termination of the matter, you have 90 days to submit your final invoice for fees and expenses. See Chapter 3 (Submitting an Invoice) for the procedures.

**PROVIDING FINAL DOCUMENTATION**

When closing a legal matter, you must submit to the FDIC the following documentation:

- All final, substantive legal work products (e.g., briefs, legal research memoranda, significant court opinions) you have not submitted during your work on the matter
- Final Invoice Package. See Chapter 3 (Submitting an Invoice)
- Supporting documentation regarding final fee and expense invoices submitted for your services.

*It's important that you return required documentation to the FDIC. Failure to do so may delay or prevent payment of your final invoice.*

**RETURNING DOCUMENTS TO THE FDIC**

Before returning any documents to the FDIC, consult with your Oversight Attorney. When requested by the FDIC, you must return any FDIC materials (e.g., original documents from a financial institution) upon completion of the legal matter. Failure to do so may delay or prevent your final payment.

**MAINTAINING  
MATTER  
DOCUMENTS**

For purposes of subsequent audits, outside counsel are required to retain copies of all FDIC-related bills and original underlying support documentation, including time sheets and time and expense adjustment records, for at least four years after the final payment.

*Your failure to maintain documentation may cause the FDIC to request a refund for your fees and expenses.*



**NOTE:** *The Legal Division may issue additional guidance on electronic time and billing systems in the next edition of the FDIC Guide for Outside Counsel to be published in December 1997.*



**WARNING:** *It is important that you maintain documentation to permit the FDIC or the FDIC Office of the Inspector General to conduct an audit or review of the firm's billings.*

**FREQUENTLY  
ASKED  
QUESTIONS**

Below you will find answers to questions often raised by Outside Counsel when closing out a legal matter with the FDIC.

**How long do I have to submit my final invoice?**

*You should submit all invoices as soon as the legal services have been completed for the billing cycle, but no longer than 90 days after the matter's completion or termination. Make sure you indicate "final invoice" on the LIF&E form you submit with your invoice.*

**What happens if, after submitting the final billing, I discover I forgot to bill for an allowable expense? May I still get paid?**

*You should submit an invoice as soon as possible. The Oversight Attorney who supervised the matter will review and make a decision on whether such an invoice should be paid.*

